

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Atrum Coal NL

ACN

153 876 861

Quarter ended ("current quarter")

30 September 2012

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	459,051	459,051
(b) development	-	-
(c) production	-	-
(d) administration	654,705	654,705
1.3 Dividends received	78,772	78,772
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (GST paid/received)	34,927	34,927
Net Operating Cash Flows	1,069,911	1,069,911
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	33,688	33,688
(b) equity investments	-	-
(c) other fixed assets	1,329	1,329
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (Performance Bond)	-	-
Net investing cash flows	35,017	35,017
1.13 Total operating and investing cash flows (carried forward)	1,104,928	1,104,928

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	1,104,928	1,104,928
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	8,145,590	8,145,590
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (Share issue costs)	85,551	85,551
	Net financing cash flows	8,060,039	8,060,039
	Net increase (decrease) in cash held	6,955,111	6,955,111
1.20	Cash at beginning of quarter/year to date	392,545	392,545
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	7,347,656	7,347,656

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	157,719
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

The payments referred to in Item 1.2 (d) that relate to Administration Costs include invoices that were incurred during the prior period, but have been paid during the current period. In total \$151,000 in Administration Costs relates to invoices that were incurred in the prior period but which were paid in the current period. The Administration Costs also included costs associated with the IPO and ASX Listing of the Company.

As drilling commenced on 17 September 2012, many of invoices and expenses incurred in relation to the exploration and development at the Groundhog Coal Project will be realised during the next period. Some of the invoices had been received during the current period as noted in Item 1.2 (a) above.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,000
4.2 Development	-
4.3 Production	-
4.4 Administration	300
Total	2,300

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	7,347,656	
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	7,347,656	

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil			

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6.2	Interests in mining tenements acquired or increased	417079	Atrum Coal Groundhog Inc.	Direct	-	100%
		417080	Atrum Coal Groundhog Inc.	Direct	-	100%
		417081	Atrum Coal Groundhog Inc.	Direct	-	100%
		417082	Atrum Coal Groundhog Inc.	Direct	-	100%
		417084	Atrum Coal Groundhog Inc.	Direct	-	100%
		417085	Atrum Coal Groundhog Inc.	Direct	-	100%
		417086	Atrum Coal Groundhog Inc.	Direct	-	100%
		417088	Atrum Coal Groundhog Inc.	Direct	-	100%
		417089	Atrum Coal Groundhog Inc.	Direct	-	100%
		417090	Atrum Coal Groundhog Inc.	Direct	-	100%
		417094	Atrum Coal Groundhog Inc.	Direct	-	100%
		417095	Atrum Coal Groundhog Inc.	Direct	-	100%
		417096	Atrum Coal Groundhog Inc.	Direct	-	100%
		417098	Atrum Coal Groundhog Inc.	Direct	-	100%
		417520	Atrum Coal Groundhog Inc.	Direct	-	100%
		417521	Atrum Coal Groundhog Inc.	Direct	-	100%
		417522	Atrum Coal Groundhog Inc.	Direct	-	100%
		417523	Atrum Coal Groundhog Inc.	Direct	-	100%
		418104	Atrum Coal Groundhog Inc.	Direct	-	100%
		418122	Atrum Coal Groundhog Inc.	Direct	-	100%
		418103	Atrum Coal Peace River Inc.	Direct	-	100%
		418106	Atrum Coal Peace River Inc.	Direct	-	100%
		418136	Atrum Coal Peace River Inc.	Direct	-	100%
		417838	Atrum Coal Naskeena Inc.	Direct	-	100%
		417839	Atrum Coal Naskeena Inc.	Direct	-	100%
		417840	Atrum Coal Naskeena Inc.	Direct	-	100%
		417841	Atrum Coal Naskeena Inc.	Direct	-	100%
		417842	Atrum Coal Naskeena Inc.	Direct	-	100%
		417843	Atrum Coal Naskeena Inc.	Direct	-	100%
		417844	Atrum Coal Naskeena Inc.	Direct	-	100%
		417845	Atrum Coal Naskeena Inc.	Direct	-	100%
		417726	Atrum Coal Naskeena Inc.	Direct	-	100%

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

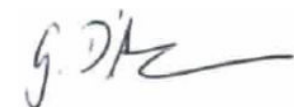
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	-	-		
7.2 Changes during quarter				
7.3 +Ordinary securities	101,737,500	61,050,000	Fully Paid	Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-		
7.5 +Convertible debt securities <i>(description)</i>	-	-		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	5,300,000	-	<i>Exercise price</i> \$0.30	<i>Expiry date</i> 24 July 2016
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



(Executive Director)

Date: 31 October 2012

Print name: Gino D'Anna

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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